

May  
2026

NFIB

SMALL BUSINESS  
**ECONOMIC**  
**TRENDS**

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SMALL BUSINESS OPTIMISM INDEX COMPONENTS

Index Component	Seasonally Adjusted Level	Change from Last Month	Contribution to Index Change
Plans to Increase Employment (net)	9%	-4	*
Plans to Make Capital Outlays	16%	-1	*
Plans to Increase Inventories (net)	1%	3	*
Expect Economy to Improve (net)	3%	-1	*
Expect Real Sales Higher (net)	1%	-2	*
Current Inventory-too low (net)	-4%	-2	*
Current Job Openings	29%	-5	*
Expected Credit Conditions (net)	-3%	1	*
Good Time to Expand	7%	0	*
Earnings Trends (net)	-15%	4	*
Total Change		-7	

Based on a Survey of Small and Independent Business Owners

# NFIB SMALL BUSINESS ECONOMIC TRENDS

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*NFIB Research Center has collected Small Business Economic Trends Data with Quarterly surveys since 1973 and monthly surveys since 1986. The sample is drawn from the membership files of the National Federation of Independent Business (NFIB). Each was mailed a questionnaire and one reminder. Subscriptions for twelve monthly SBET issues are \$250. Historical and unadjusted data are available, along with a copy of the questionnaire, from the NFIB Research Center. You may reproduce Small Business Economic Trends items if you cite the publication name and date and note it is a copyright of the NFIB Research Center. © NFIB Research Center. ISBS #0940791-24-2. Chief Economist William C. Dunkelberg and Executive Director of the NFIB Research Center Holly Wade are responsible for the report.*

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# SUMMARY

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## OPTIMISM INDEX

The Small Business Optimism Index for May was 95.3, down 0.6 points from April and remaining below its 52-year average of 98.0. Of the 10 Optimism Index components, three increased, six decreased, and one was unchanged. The labor-related components (unfilled job openings and hiring plans) declined notably but were offset by improvements in earnings trends and inventory plans.

## UNCERTAINTY INDEX

The Uncertainty Index rose 3 points from April to 91, remaining well above its historical average of 68.

## LABOR MARKETS

The Employment Index remained essentially flat in May, registering 100.3 in May after measuring 100.4 in April. This is the third consecutive month in which the Index has declined. The current reading is below the 2025 average of 101.2 but slightly above the historical average of 100.0. In May, 29% (seasonally adjusted) of all owners reported job openings they could not fill in the current period, down 5 points from April and marking the lowest level since May 2020. Twenty-seven percent have openings for skilled workers (down 2 points), and 9% have openings for unskilled labor (down 4 points). Looking ahead, a seasonally adjusted net 9% of owners plan to create new jobs in the next three months, down 4 points from April and marking the lowest level since May 2020. Plans to hire are now below the historical average of a net 11%. Overall, 55% reported hiring or trying to hire in May, up 2 points from April. Forty-six percent of owners (84% of those hiring or trying to hire) reported few or no qualified applicants for the positions they were trying to fill (unchanged). Twenty-four percent of owners reported few qualified applicants for their open positions (down 2 points), and 22% reported none (up 2 points). In May, 13% of small business owners cited labor quality as their single most important problem, down 5 points from April and marking the lowest level since December 2016. While reports of labor quality as the single most important problem declined in May, reports of labor costs increased to the highest reading in the survey's history. Fourteen percent of business owners reported labor costs as their single most important problem, up 5 points from April.

## COMPENSATION

While unfilled job openings and hiring plans declined to six-year lows, compensation measures remained largely unchanged. A seasonally adjusted net 31% reported raising compensation, up 1 point from April. In May, a net 18% (seasonally adjusted) plan to raise compensation in the next three months, unchanged from April.

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This survey was conducted in May 2026. A sample of 5,000 small-business owners/members was drawn. Five hundred four (504) usable responses were received — a response rate of 10.1 percent.

## CAPITAL SPENDING

Fifty-five percent of small business owners reported making capital outlays in the last six months, up 4 points from April. Of those making expenditures, 37% reported spending on new equipment (up 2 points), 25% acquired vehicles (up 2 points), and 13% improved or expanded facilities (down 2 points). Eleven percent spent money on new fixtures and furniture (unchanged), and 4% acquired new buildings or land for expansion (down 2 points). Sixteen percent (seasonally adjusted) of small business owners plan to make capital outlays in the next six months, down 1 point from April and the lowest level since March 2009.

## SALES AND INVENTORIES

A seasonally adjusted net -5% of all owners reported higher nominal sales in the past three months, up 3 points from April. While actual sales volume increased in May, sales expectations weakened. The net percent of owners expecting higher real sales volumes over the next quarter fell 2 points from April to a net 1% (seasonally adjusted), the lowest reading since April 2025. The net percent of owners reporting inventory gains fell 1 point to a net -6% (seasonally adjusted). Not seasonally adjusted, 11% reported increases in stocks (down 1 point), and 14% reported reductions (down 2 points). A net -4% (seasonally adjusted) of owners viewed current inventory stocks as “too low” in May, down 2 points from April. A net 1% (seasonally adjusted) of owners plan inventory investment in the coming months, up 3 points from April and close to the historical average of net 2%. Reports of supply chain disruptions picked up in May, with a shift from those reporting no disruptions to those reporting mild or moderate disruptions. Seventy percent of small business owners reported that supply chain disruptions affected their business to some extent, up 6 points from April. Four percent reported a significant impact (down 1 point), 23% reported a moderate impact (up 4 points), 43% reported a mild impact (up 3 points), and 29% reported no impact (down 6 points).

## EARNINGS

The frequency of reports of positive profit trends rose 4 points from April to a net -15% (seasonally adjusted). Among owners reporting lower profits, 32% blamed weaker sales, 16% cited rising material costs, and 14% cited the usual seasonal change. Nine percent cited labor costs, 7% cited price change from their product(s) or service(s), and 5% reported other reasons. Among owners reporting higher profits, 51% cited sales volume, 20% cited usual seasonal change, and 10% cited price change from their product(s) or service(s).

## CREDIT MARKETS

In May, the net percent of owners expecting easier credit conditions rose 1 point to a net -3% (seasonally adjusted). A net 4% reported their last loan was harder to get than in previous attempts, up 1 point from April. In May, a net 6% of owners reported paying a higher interest rate on their most recent loan, up 4 points from April. The average interest rate paid on short-maturity loans was 7.8% in May, down 0.5 points from April. Twenty-seven percent of all owners reported borrowing regularly, up 5 points from April's lowest level since November 2021.

## INFLATION

In May, reports of both actual and planned price increases rose significantly. The net percent of owners raising average selling prices rose 6 points from April to a net 36% (seasonally adjusted), marking the highest reading since March 2023. Actual price increases are well above the historical average of net 13%. Unadjusted, 46% reported higher average prices (up 5 points), and 7% reported lower average selling prices (down 1 point). Looking forward to the next three months, a net 34% (seasonally adjusted) plan to increase prices, up 7 points from April and marking the highest reading since July 2022. Reports of inflation as the single most important problem rose for the third consecutive month in May. Eighteen percent of business owners cited inflation as their single most important business problem, up 2 points from April and marking the highest reading since December 2024. Inflation ranks as the second top problem.

## OUTLOOK

When asked to evaluate the overall health of their business, 11% rated it as excellent (down 1 point), 55% as good (unchanged), 28% as fair (down 1 point), and 5% as poor (up 1 point). In May, expectations for better business conditions continued to decline. The net percent of owners expecting better business conditions fell 1 point from April to a net 3% (seasonally adjusted). This was the fifth consecutive monthly decline in expected business conditions and the lowest level since October 2024. In May, 7% (seasonally adjusted) reported that it is a good time to expand their business, unchanged from April and the lowest level since October 2024.

## SINGLE MOST IMPORTANT PROBLEM

In May, 19% of small business owners reported taxes as their single most important problem, up 2 points from April and ranking as the top issue. Reports of inflation as the single most important problem rose for the third consecutive month in May. Eighteen percent of business owners cited inflation as their single most important business problem, up 2 points from April and marking the highest reading since December 2024. Inflation ranks as the second top problem. Labor-related issues saw notable changes this month. Fourteen percent of business owners reported labor costs as their single most important problem, up 5 points from April and the highest reading in the survey's history. Labor costs now rank third among the top issues. While labor costs rose in May, labor quality fell. In May, 13% of small business owners cited labor quality as their single most important problem, down 5 points from April and marking the lowest level since December 2016. The percent of small business owners reporting government regulations and red tape as their single most important problem rose 2 points from April to 10%. In May, 8% reported the cost or availability of insurance as their single most important problem, unchanged from April. The percent of small business owners reporting poor sales as their top business problem fell 3 points from April to 7%. Six percent reported competition from large businesses as their single most important problem, down 1 point from April. Two percent reported that financing and interest rates were their top business problem in May, down 1 point from April.

# COMMENTARY

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## OVERVIEW

Part of the economy is on a sugar rush – almost all related to AI investment spending and it's flying high. The stock market is posting new highs, but again, mostly due to that one soaring sector. Meanwhile, gas prices have spiked reflecting a reduction in the global oil supply, but also the risk premium that war has produced. Oil is a cost component in just about everything, so its rising price shows up in just about everything. A net 36% (seasonally adjusted) of the owners reported raising their selling prices, well above the historical average of net 13%. This leads right into CPI inflation, which is too strong to give the Fed license to reduce rates. It may even consider raising its policy rate.

The employment picture looks increasingly gloomy, as job openings continue to decline. Openings fell to 2020 levels as did hiring plans—recession numbers without a recession. Sales prospects are not strong, but not falling apart. Perhaps the economy is becoming bifurcated, one piece driven by AI spending, rising asset prices (e.g. stocks) and spending by higher income consumers benefiting from AI, while the other piece suffers from rising costs.

Uncertainty is the enemy of growth and investment, and it is high. Much is related to the Iran War and its impact on the global oil supply and other commodities, the sooner it's resolved, the quicker some “normality” will be restored.

# Member Quotes

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## QUOTES- NFIB MEMBERS

"Our labor struggle is blue-collar, especially entry level in our warehouse. We have applicants not show up for interviews and others apply, interview, accept, and not show up for work." – Wholesale, OH

"Labor is in short supply for all levels." – Agriculture, MI

"You can't find anyone qualified who wants to actually work!" – Transportation, OH

"The Minnesota paid family leave program gives money to the employees to take off but leaves the business to suffer the loss of productivity and client pressure. I can't hire someone to do these jobs on a temporary basis. I wish the politicians who voted this new problem into existence would feel the financial pain of their poor decisions." – Finance & Real Estate, MN

"Skilled labor like technicians and mechanics are hard to find. Unskilled labor was very challenging during Covid and then improved and is now worsening again." – Services, NY

"2020 was the best year in our history, since then we do the same work for less money. Prices for everything have increased, wages have increased, but my bid prices have not, net earnings are down." – Construction, TX

"Our company trucks have felt huge impacts with the cost of truck and health insurance, fuel prices, and cost of equipment and parts. All of these are increasing much faster than we can increase these costs to our customers." – Transportation, OH

"I'm a dairy farmer and milk price is still way too low with high input costs of everything, from parts, equipment, seeds, and fertilizers." – Agriculture, WI

"We own a diesel and gasoline pickup repair facility. The 'temporary' huge increase in the cost of fuel, groceries, etc., is really hurting our company right now." – Services, NV

"While the tax burden has remained relatively low in our state and federally, the demand for money has increased, and as a result, decreased our bottom line. Supply costs and supply availability are hitting us hard. Add to that, increased fuel costs, increased wages, increased insurance premiums (both property and health)- the list goes on. Sales are not keeping pace with the increased costs." – Retail, OH

"Agriculture can be a tough industry. Supply and demand dynamics control too much of our pricing, and a good year of production can end up as a bad year farming because oversupply drives down prices." – Agriculture, WI

"Overall business is down. Costs are up and we just aren't sure where to go from here." – Retail, MO

"Auto and liability insurance is difficult to get, and [the] cost is out of control!" – Professional/business services, CA

# Member Quotes

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## QUOTES- NFIB MEMBERS

“These are just really hard times for a small business. Especially in the woodworking manufacturing business. Too many large companies are undercutting the small guy and controlling the wood markets. Work is slow due to a decrease in demand.” – Manufacturing, NC

“The tariff climate is hurting our business. We are losing sales and our material costs are going up (even though we buy heavily domestic). Also, we’re trying to plan a \$10-15 million expansion, and all the high interest rates, gas prices, and economic uncertainty are making it difficult to commit to.” -Manufacturing, MT

“Economic uncertainty is the biggest challenge in our industry. The political climate and decisions have left businesses very cautious. Tariffs and the war have had a negative impact on this past year.” – Construction, AZ

“Uncertainty of supply and price of commodities has been a concern.” – Manufacturing, MN

“As a small business owner operating a Subchapter S Corp. in the services sector, my biggest challenge right now is the uncertain political climate. It makes planning difficult, especially with midterm elections approaching. While our sales volume has increased slightly over the last quarter, net earnings are only marginally higher due to rising labor costs. We’ve made some capital investments in improved building and equipment recently, but we have no plans for major expansions in the next 3-6 months, we’re staying cautious.” – Services, CA

“A serious deterrent to growth is the tax placed on inventory balance at the end of the year. This deters growth. Eliminating or reducing this tax would allow businesses to put more investment into growth and expansion.” – Retail, PA

“Property taxes are my largest threat. If I have a bad year and lose money, I pay no income tax but still am hit with property taxes. When things are tight, that is the largest threat that could take away my land and business. How do I own the land if I can have it taken from me for not paying taxes even when I didn’t make any money?” – Services, TX

“Taxes are too high; business seems to be getting harder and harder to make a profit.” – Manufacturing, UT

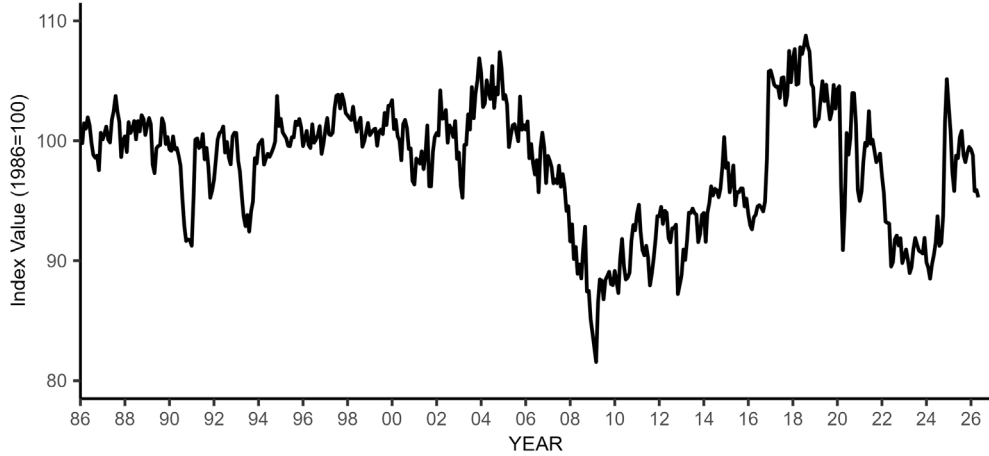
“Government regulations and fuel costs are killing the trucking industry. That takes a huge toll on our business, as well as the entire economy. Stop the green regulations on engines and let these truckers make a decent living. That would go a long way for the American economy. Get fuel costs in line. This is hurting all of us.” – Retail, MN

“Sales are typically lower in Q1, but we have noticed that it stayed lower longer than usual. Utilities have gone up, payroll has gone up, and sales are down, so all this has contributed to Q1 2026 being worse for us than Q4 2025. Oil has also gone up pretty much every couple of months, so this has affected our bottom line. But the number one issue is lack of business coming in.” – Services, OH

# OVERVIEW - SMALL BUSINESS OPTIMISM

## OPTIMISM INDEX

Based on Ten Survey Indicators  
 January 1986 to May 2026  
 (Seasonally Adjusted 1986=100)



<sup>1</sup> Questions included in the Optimism Index (see pages 25-26)

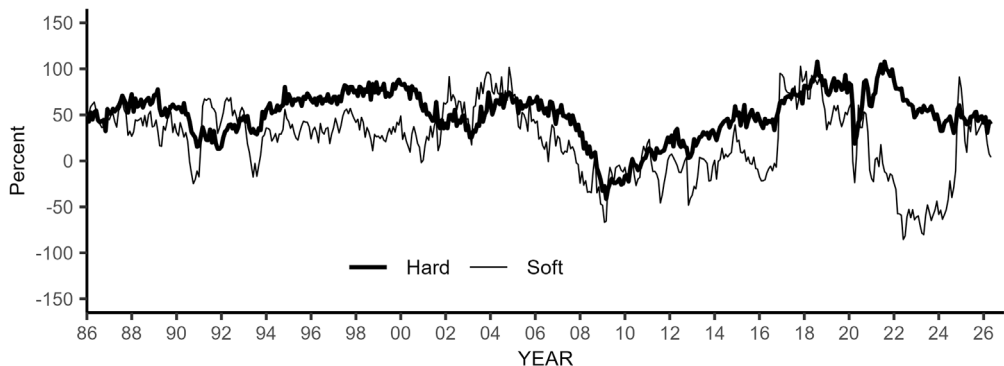
## OPTIMISM INDEX

Based on Ten Survey Indicators  
 (Seasonally Adjusted 1986=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	95.0	95.8	98.2	99.8	99.6	102.5	99.7	100.1	99.1	98.2	98.4	98.9
<b>2022</b>	97.1	95.7	93.2	93.2	93.1	89.5	89.9	91.8	92.1	91.3	91.9	89.8
<b>2023</b>	90.3	90.9	90.1	89.0	89.4	91.0	91.9	91.3	90.8	90.7	90.6	91.9
<b>2024</b>	89.9	89.4	88.5	89.7	90.5	91.5	93.7	91.2	91.5	93.7	101.7	105.1
<b>2025</b>	102.8	100.7	97.4	95.8	98.8	98.6	100.3	100.8	98.8	98.2	99.0	99.5
<b>2026</b>	99.3	98.8	95.8	95.9	95.3							

## OPTIMISM INDEX COMPONENTS

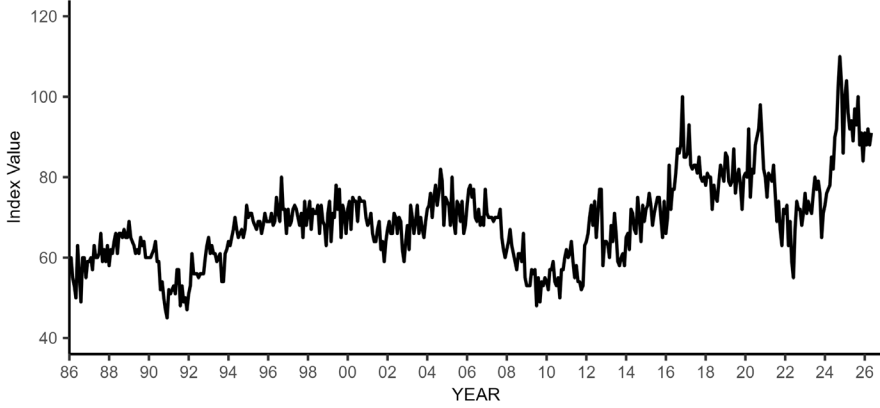
Hard: Job Creation Plans, Job Openings, Inventory Plans, Earnings, Capital Expenditure Plans  
 Soft: Expected Business Conditions, Outlook for Expansion, Expected Real Sales, Expected Credit Conditions, Inventory Satisfaction



# SMALL BUSINESS UNCERTAINTY

## UNCERTAINTY INDEX

Sum of "Don't Know" & "Uncertain" Answers on 6 Questions  
*January 1986 to May 2026*



<sup>2</sup> Questions included in the Uncertainty Index (see pages 25-26)

## UNCERTAINTY INDEX

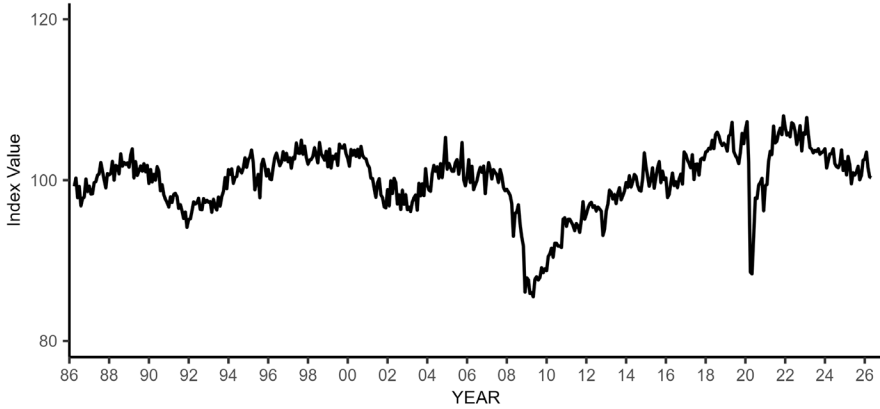
Sum of "Don't Know" & "Uncertain" Answers on 6 Questions

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	80	75	81	80	79	83	76	69	74	67	63	72
<b>2022</b>	71	73	63	69	59	55	67	74	72	72	68	71
<b>2023</b>	76	71	74	72	71	76	80	77	79	76	65	71
<b>2024</b>	73	76	77	78	85	82	90	92	103	110	103	86
<b>2025</b>	100	104	96	92	94	89	97	93	100	88	91	84
<b>2026</b>	91	88	92	88	91							

# SMALL BUSINESS EMPLOYMENT INDEX

## EMPLOYMENT INDEX

Based on Six Components  
 April 1986 to May 2026  
 (Seasonally Adjusted 1987=100)



## EMPLOYMENT INDEX

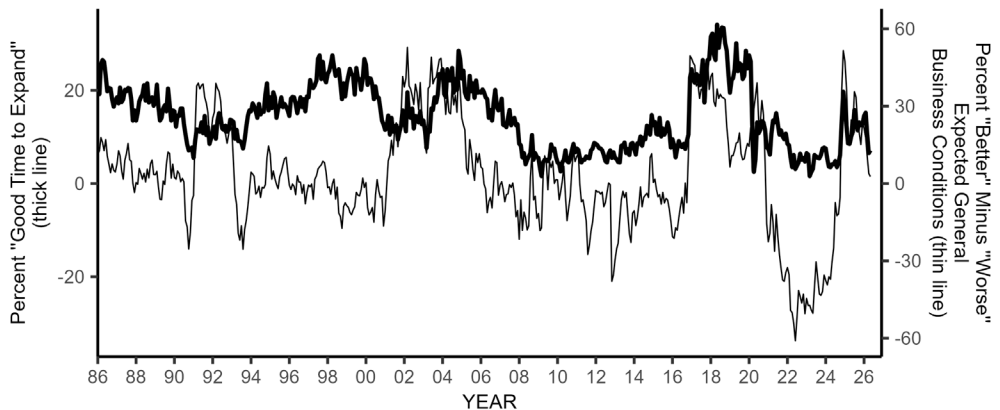
Based on Six Components  
 (Seasonally Adjusted 1987=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	99.3	99.5	102.3	103.6	103.2	106.7	104.6	104.9	105.9	106.5	105.6	108.0
<b>2022</b>	106.6	105.6	105.8	105.4	107.1	106.9	106.1	104.4	105.3	106.8	103.6	105.9
<b>2023</b>	105.7	107.8	105.8	104.0	103.9	103.4	103.7	103.6	103.9	103.2	103.4	103.6
<b>2024</b>	103.9	101.5	102.4	103.3	103.3	103.9	102.0	101.7	101.5	102.0	103.8	101.2
<b>2025</b>	102.3	100.7	102.9	101.9	99.6	100.9	100.6	101.0	101.7	100.1	100.6	102.5
<b>2026</b>	102.6	103.5	101.6	100.4	100.3							

# SMALL BUSINESS OUTLOOK

## OUTLOOK

Good Time to Expand and Expected General Business Conditions  
 January 1986 to May 2026  
 (Seasonally Adjusted)



## SMALL BUSINESS OUTLOOK (CONTINUED)

### OUTLOOK FOR EXPANSION

Percent Next Three Months "Good Time to Expand"  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	8	6	11	14	13	15	13	11	11	10	10	11
<b>2022</b>	9	8	6	4	6	3	4	5	6	5	6	5
<b>2023</b>	7	6	2	3	3	6	6	6	5	6	8	8
<b>2024</b>	8	5	4	4	4	4	5	4	4	6	14	20
<b>2025</b>	17	12	9	9	10	11	16	14	11	13	13	13
<b>2026</b>	15	15	11	7	7							

### MOST IMPORTANT REASON FOR EXPANSION OUTLOOK

Reason Percent by Expansion Outlook  
May 2026

Reason	Good Time	Not Good Time	Uncertain
<b>Economic Conditions</b>	4	29	16
<b>Sales Prospects</b>	3	1	2
<b>Fin. &amp; Interest Rates</b>	1	2	2
<b>Cost of Expansion</b>	0	8	5
<b>Political Climate</b>	1	7	8
<b>Other / Not Available</b>	0	1	1

### OUTLOOK FOR GENERAL BUSINESS CONDITIONS

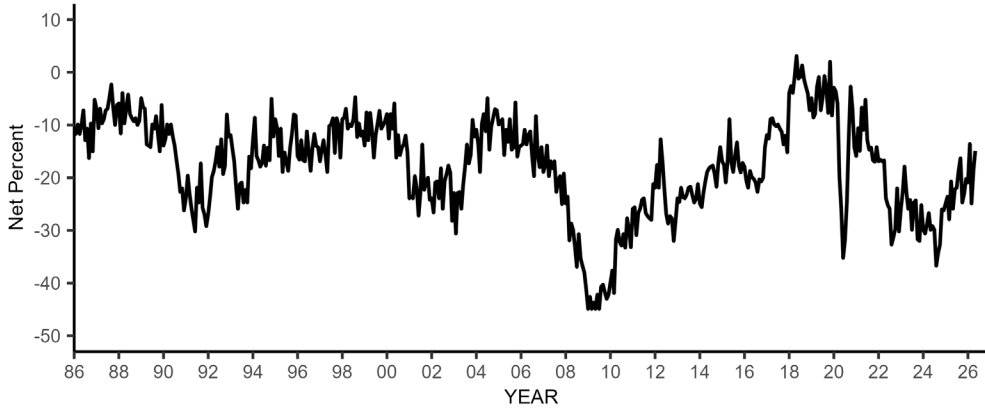
Net Percent ("Better" Minus "Worse") Six Months From Now  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	-23	-19	-8	-15	-26	-12	-20	-28	-33	-37	-38	-35
<b>2022</b>	-33	-35	-49	-50	-54	-61	-52	-42	-44	-46	-43	-51
<b>2023</b>	-45	-47	-47	-49	-50	-40	-30	-37	-43	-43	-42	-36
<b>2024</b>	-38	-39	-36	-37	-30	-25	-7	-13	-12	-5	36	52
<b>2025</b>	47	37	21	15	25	22	36	34	23	20	15	24
<b>2026</b>	21	18	11	4	3							

# SMALL BUSINESS EARNINGS

## EARNINGS

Actual Last Three Months  
January 1986 to May 2026  
(Seasonally Adjusted)



## ACTUAL EARNINGS CHANGES

Net Percent ("Higher" Minus "Lower") Last Three Months  
Compared to Prior Three Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	-16	-11	-15	-7	-11	-5	-13	-15	-14	-17	-17	-14
<b>2022</b>	-17	-17	-17	-17	-24	-25	-26	-33	-31	-30	-22	-30
<b>2023</b>	-26	-23	-18	-23	-26	-24	-30	-25	-24	-32	-32	-25
<b>2024</b>	-30	-31	-29	-27	-30	-29	-30	-37	-34	-33	-26	-26
<b>2025</b>	-25	-24	-28	-21	-26	-22	-22	-19	-16	-25	-23	-20
<b>2026</b>	-21	-14	-25	-19	-15							

## MOST IMPORTANT REASON FOR LOWER EARNINGS

Percent Reason  
May 2026

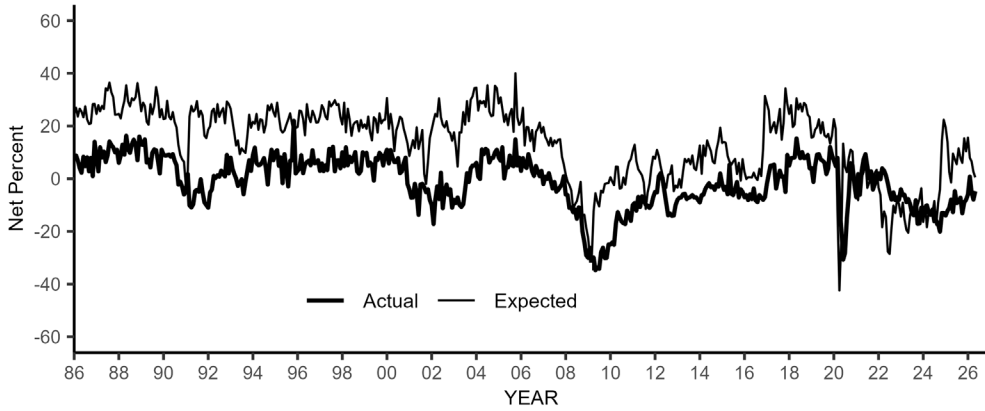
Reason	Current Month	One Year Ago	Two Years Ago
<b>Sales Volume</b>	11	15	14
<b>Increased Costs*</b>	11	13	15
<b>Cut Selling Prices</b>	3	3	5
<b>Usual Seasonal Change</b>	5	5	4
<b>Other</b>	2	1	2

\* Increased costs include labor, materials, finance, taxes, and regulatory costs.

# SMALL BUSINESS SALES

## SALES

Actual (Prior Three Months) and Expected (Next Three Months)  
 January 1986 to May 2026  
 (Seasonally Adjusted)



## ACTUAL SALES CHANGES

Net Percent ("Higher" Minus "Lower") Last Three Months  
 Compared to Prior Three Months  
 (Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	-7	2	-6	3	7	9	5	0	3	-4	-2	1
<b>2022</b>	2	0	4	3	1	-2	-5	-8	-5	-8	-7	-8
<b>2023</b>	-4	-6	-6	-9	-8	-10	-13	-14	-8	-17	-17	-11
<b>2024</b>	-11	-13	-10	-13	-14	-12	-16	-16	-17	-20	-13	-13
<b>2025</b>	-14	-12	-11	-8	-13	-5	-9	-9	-7	-13	-9	-8
<b>2026</b>	-6	1	-5	-8	-5							

## SALES EXPECTATIONS

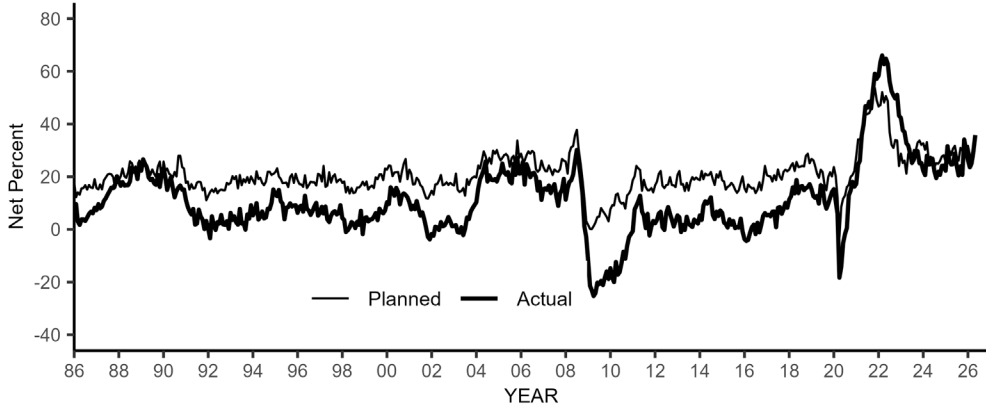
Net Percent ("Higher" Minus "Lower") During Next Three Months  
 (Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	-6	-8	0	1	3	7	-4	-2	2	0	2	3
<b>2022</b>	-3	-6	-18	-12	-15	-28	-29	-19	-10	-13	-8	-10
<b>2023</b>	-14	-9	-15	-19	-21	-14	-12	-14	-13	-10	-8	-4
<b>2024</b>	-16	-10	-18	-12	-13	-13	-9	-18	-9	-4	14	22
<b>2025</b>	20	14	3	-1	10	7	6	12	8	6	15	10
<b>2026</b>	16	8	7	3	1							

# SMALL BUSINESS PRICES

## PRICES

Actual Last Three Months and Planned Next Three Months  
 January 1986 to May 2026  
 (Seasonally Adjusted)



## ACTUAL PRICE CHANGES

Net Percent ("Higher" Minus "Lower")  
 Compared to Three Months Ago  
 (Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	17	25	26	36	40	47	46	49	46	53	59	57
<b>2022</b>	58	64	66	63	65	63	56	53	51	50	51	43
<b>2023</b>	42	38	37	33	32	29	25	27	29	30	25	25
<b>2024</b>	22	21	28	25	25	27	22	20	22	21	24	24
<b>2025</b>	22	32	26	25	25	29	24	21	24	21	34	30
<b>2026</b>	26	24	25	30	36							

## PRICE PLANS

Net Percent ("Higher" Minus "Lower") in the Next Three Months  
 (Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	28	34	34	36	43	44	44	44	46	51	54	49
<b>2022</b>	47	47	52	48	51	49	37	32	31	34	34	24
<b>2023</b>	29	25	26	21	29	31	27	30	30	33	34	32
<b>2024</b>	33	30	33	26	28	26	24	25	25	26	28	28
<b>2025</b>	26	29	30	28	31	32	28	26	31	30	30	28
<b>2026</b>	32	28	24	27	34							

# SMALL BUSINESS EMPLOYMENT

## ACTUAL EMPLOYMENT CHANGES

Net Percent ("Increase" Minus "Decrease") in the Last Three Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	0	-3	-2	1	-5	-2	-6	-8	-1	-2	-1	1
<b>2022</b>	-1	1	-2	-2	-4	-2	-4	-8	-4	-2	-3	1
<b>2023</b>	2	4	2	-2	-4	-2	-2	-4	-2	-3	-2	-2
<b>2024</b>	0	-1	-2	0	-2	-5	-3	-6	-4	-3	-1	-3
<b>2025</b>	1	-3	-1	1	-2	-8	-2	-5	-3	-4	-3	-1
<b>2026</b>	1	3	-1	-2	-2							

## QUALIFIED APPLICANTS FOR JOB OPENINGS

Percent Few or No Qualified Applicants

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	46	51	51	54	57	56	57	60	62	58	56	57
<b>2022</b>	55	57	55	55	61	60	57	57	57	55	54	51
<b>2023</b>	52	54	53	55	55	54	56	54	57	55	50	49
<b>2024</b>	49	51	48	51	51	51	49	56	52	46	48	49
<b>2025</b>	47	48	47	47	48	50	48	43	50	49	50	48
<b>2026</b>	44	46	45	46	46							

## EMPLOYMENT

Planned Next Three Months and Current Job Openings  
January 1986 to May 2026  
(Seasonally Adjusted)



# SMALL BUSINESS EMPLOYMENT (CONTINUED)

## JOB OPENINGS

Percent With Positions Not Able to Fill Right Now  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	33	40	42	44	48	46	49	50	51	49	48	49
<b>2022</b>	47	48	47	47	51	50	49	49	46	46	44	41
<b>2023</b>	45	47	43	45	44	42	42	40	43	43	40	40
<b>2024</b>	39	37	37	40	42	37	38	40	34	35	36	35
<b>2025</b>	35	38	40	34	34	36	33	32	32	32	33	33
<b>2026</b>	31	33	32	34	29							

## HIRING PLANS

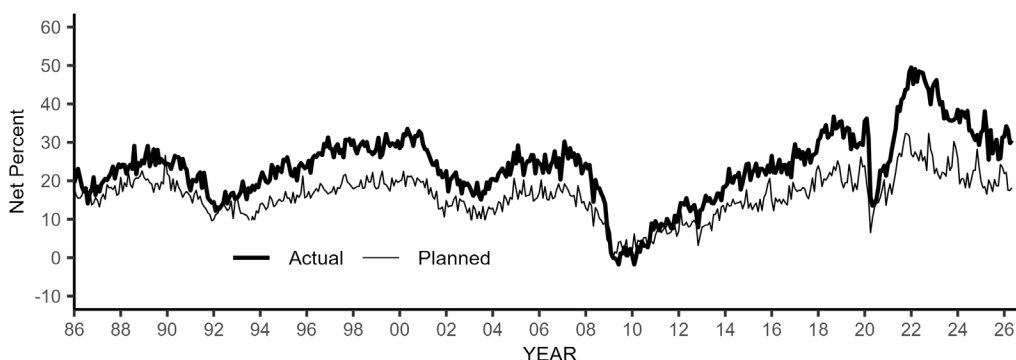
Net Percent ("Increase" Minus "Decrease") in the Next Three Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	17	18	22	21	27	28	27	32	26	26	25	28
<b>2022</b>	26	19	20	20	26	19	20	21	23	20	18	17
<b>2023</b>	19	17	15	17	19	15	17	17	18	17	18	16
<b>2024</b>	14	12	11	12	15	15	15	13	15	15	18	19
<b>2025</b>	18	15	12	13	12	13	14	15	16	15	19	17
<b>2026</b>	16	12	12	13	9							

# SMALL BUSINESS COMPENSATION

## COMPENSATION

Actual Last Three Months and Planned Next Three Months  
January 1986 to May 2026  
(Seasonally Adjusted)



# SMALL BUSINESS COMPENSATION (CONTINUED)

## ACTUAL COMPENSATION CHANGES

Net Percent ("Increase" Minus "Decrease") During Last Three Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	25	25	28	31	34	39	38	41	42	44	44	48
<b>2022</b>	50	45	49	46	49	48	48	46	45	44	40	44
<b>2023</b>	46	46	42	40	41	36	38	36	36	36	36	36
<b>2024</b>	39	35	38	38	37	38	33	33	32	31	32	29
<b>2025</b>	33	33	38	33	26	33	27	29	31	26	26	31
<b>2026</b>	32	34	33	30	31							

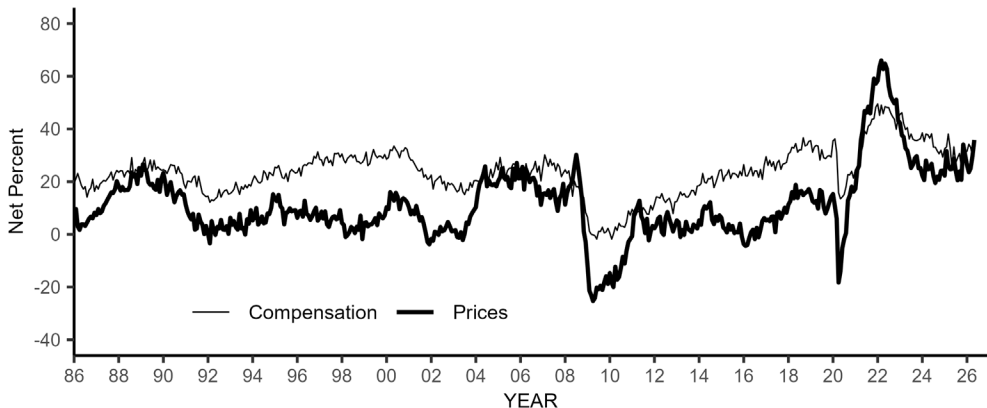
## COMPENSATION PLANS

Net Percent ("Increase" Minus "Decrease") in the Next Three Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	17	19	17	20	22	26	27	26	30	32	32	32
<b>2022</b>	27	26	28	27	25	28	25	26	23	32	28	27
<b>2023</b>	22	23	22	21	22	22	21	26	23	24	30	29
<b>2024</b>	26	19	21	21	18	22	18	20	23	23	28	24
<b>2025</b>	20	18	19	17	20	19	17	20	19	19	24	24
<b>2026</b>	22	22	18	18	18							

## PRICES AND LABOR COMPENSATION

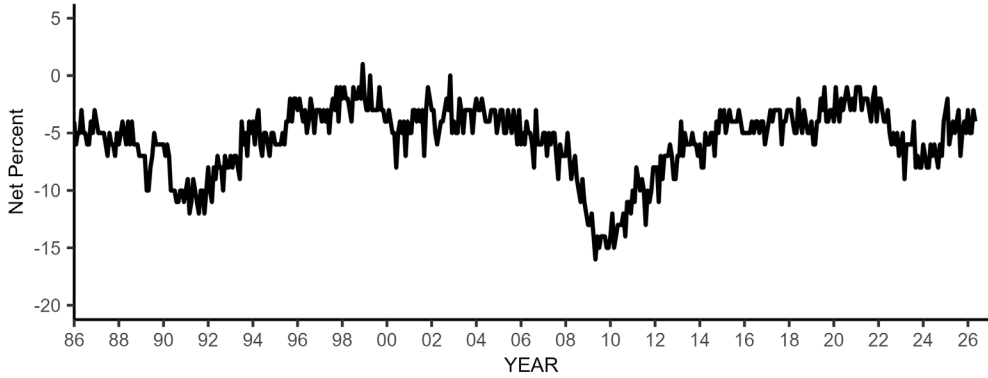
Net Percent Price Increase and Net Percent Compensation  
January 1986 to May 2026  
(Seasonally Adjusted)



# SMALL BUSINESS CREDIT CONDITIONS

## CREDIT CONDITIONS

Loan Availability Compared to Three Months Ago\*  
January 1986 to May 2026



\* For the population borrowing at least once every three months.

## REGULAR BORROWERS

Percent Borrowing at Least Once Every Three Months

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	23	26	23	24	23	21	21	20	20	23	21	23
2022	23	23	25	26	23	25	26	27	26	28	27	28
2023	29	30	30	31	29	28	27	28	31	27	31	29
2024	29	25	28	31	31	28	27	27	26	25	28	25
2025	27	24	28	26	25	26	25	23	26	23	23	25
2026	25	25	24	22	27							

## AVAILABILITY OF LOANS

Net Percent ("Easier" Minus "Harder")  
Compared to Three Months Ago  
(Regular Borrowers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	-1	-1	-1	-3	-2	-2	-2	-3	-4	-2	-1	-4
2022	-2	-2	-3	-4	-4	-3	-5	-6	-5	-6	-5	-7
2023	-6	-5	-9	-6	-6	-6	-6	-4	-8	-7	-8	-8
2024	-6	-7	-8	-8	-6	-7	-6	-7	-8	-6	-7	-4
2025	-3	-2	-6	-5	-4	-5	-4	-3	-7	-5	-4	-5
2026	-3	-5	-5	-3	-4							

# SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

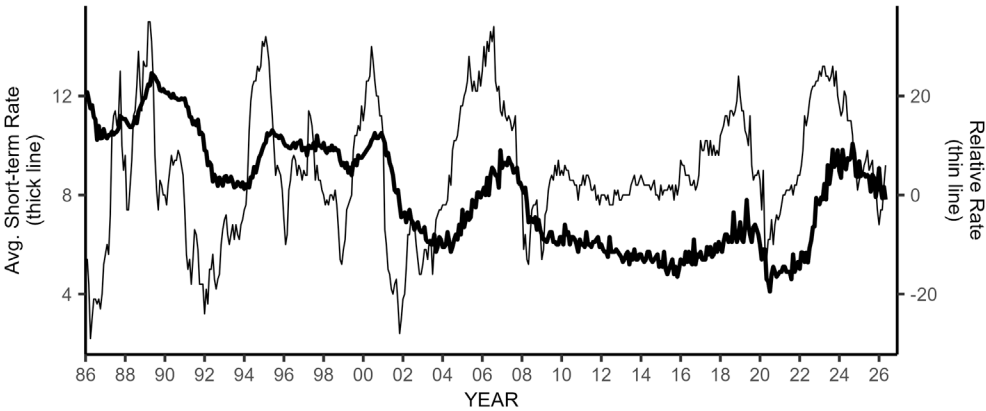
## EXPECT EASIER CREDIT CONDITIONS

Net Percent (“Easier” Minus “Harder”) During Next Three Months  
(Regular Borrowers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	-3	-6	-3	-3	-3	-4	-4	-4	-4	-4	-3	-4
<b>2022</b>	-4	-4	-4	-5	-4	-5	-7	-8	-6	-8	-6	-9
<b>2023</b>	-8	-6	-9	-8	-10	-8	-8	-6	-10	-9	-11	-8
<b>2024</b>	-8	-6	-8	-9	-7	-7	-7	-8	-8	-6	-5	-2
<b>2025</b>	-4	-3	-4	-7	-4	-4	-4	-4	-7	-3	-5	-5
<b>2026</b>	-3	-5	-5	-4	-3							

## INTEREST RATES

Relative Rates and Actual Rates Last Three Months  
January 1986 to May 2026



## RELATIVE INTEREST RATE PAID BY REGULAR BORROWERS

Net Percent (“Higher” Minus “Lower”) Compared to Three Months Ago

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	-4	-2	0	0	1	1	1	2	0	2	2	4
<b>2022</b>	4	6	9	16	14	16	19	21	22	22	23	23
<b>2023</b>	25	24	26	26	24	24	23	24	26	22	25	20
<b>2024</b>	18	16	17	21	20	15	15	15	12	5	5	1
<b>2025</b>	3	4	4	6	7	9	5	6	7	1	2	-3
<b>2026</b>	-6	-3	-3	2	6							

Borrowing at Least Once Every Three Months.

# SMALL BUSINESS CREDIT CONDITIONS (CONTINUED)

## ACTUAL INTEREST RATE PAID ON SHORT-TERM LOANS BY BORROWERS

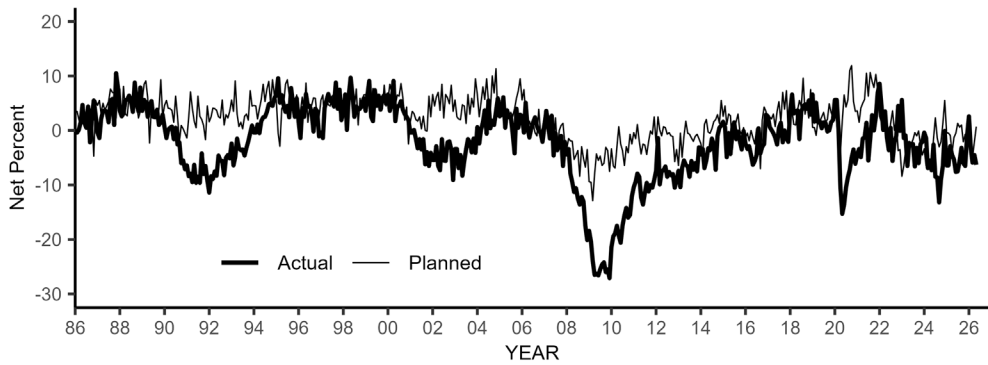
Average Interest Rate Paid

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	4.9	4.9	5.1	5.1	4.9	4.9	4.9	4.6	5.6	4.9	5.1	5.3
<b>2022</b>	5.0	5.7	5.7	5.3	5.7	5.3	5.9	6.2	6.7	6.7	7.9	7.7
<b>2023</b>	7.6	7.9	7.8	8.5	7.8	9.2	8.5	9.0	9.8	9.1	9.3	9.8
<b>2024</b>	9.0	8.7	9.8	9.3	9.0	9.5	9.4	9.5	10.1	9.7	8.8	8.7
<b>2025</b>	9.4	8.8	8.9	8.9	8.7	8.8	8.7	8.1	8.8	8.7	7.9	8.4
<b>2026</b>	9.1	8.2	7.9	8.3	7.8							

## SMALL BUSINESS INVENTORIES

### INVENTORIES

Actual (Last Three Months) and Planned (Next Three Months)  
 January 1986 to May 2026  
 (Seasonally Adjusted)



### ACTUAL INVENTORY CHANGES

Net Percent ("Increase" Minus "Decrease") During Last Three Months  
 (Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	-4	-3	-5	-2	-1	1	-6	-2	3	0	3	7
<b>2022</b>	9	5	0	4	-1	-4	1	-6	-2	-1	5	0
<b>2023</b>	6	-1	-1	-7	-2	-3	-3	-7	-3	-6	-3	-2
<b>2024</b>	0	-1	-7	-6	-7	-3	-9	-9	-13	-9	-7	0
<b>2025</b>	-6	-6	-3	-5	-5	-8	-8	-6	-3	-6	-7	-1
<b>2026</b>	3	-3	-6	-5	-6							

## SMALL BUSINESS INVENTORIES (CONTINUED)

### CURRENT INVENTORY (TOO LOW)

Net Percent ("Too Low" Minus "Too Large") at Present Time  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	5	5	3	7	8	11	12	11	10	9	15	9
<b>2022</b>	7	7	9	6	8	5	2	3	1	0	-2	1
<b>2023</b>	-1	-4	1	-5	-3	-4	-4	-5	-4	-3	0	-5
<b>2024</b>	-4	-4	-5	-4	-8	-2	-4	-5	-4	-2	-2	-1
<b>2025</b>	-1	-5	-7	-6	1	-5	-3	0	-7	-4	-1	-1
<b>2026</b>	-3	-2	-5	-2	-4							

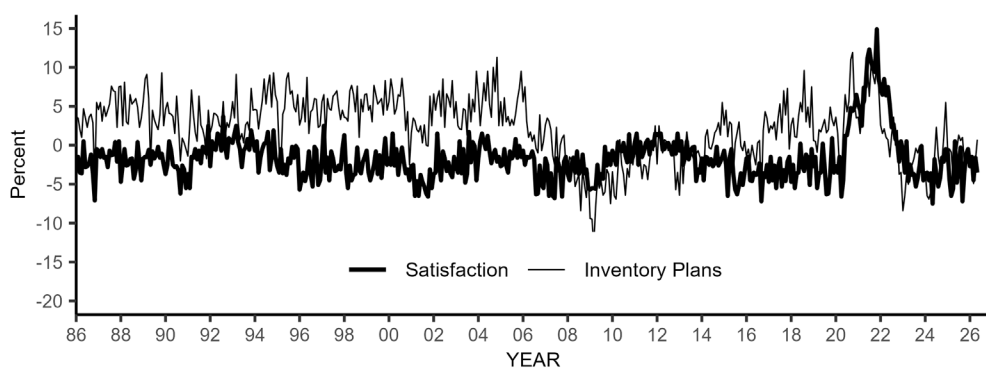
### INVENTORY PLANS

Net Percent ("Increase" Minus "Decrease") in the Next Three to Six Months  
(Seasonally Adjusted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	4	2	4	5	6	11	6	11	9	8	10	8
<b>2022</b>	3	2	2	1	1	-2	1	4	0	2	-4	-4
<b>2023</b>	-8	-7	-4	-5	-2	-3	-2	0	-1	0	-3	-5
<b>2024</b>	-3	-7	-7	-6	-6	-2	2	-1	-3	-2	1	6
<b>2025</b>	0	-1	-1	-4	-1	-1	1	1	1	-2	-1	-1
<b>2026</b>	-2	-2	-5	-2	1							

### INVENTORY SATISFACTION AND INVENTORY PLANS

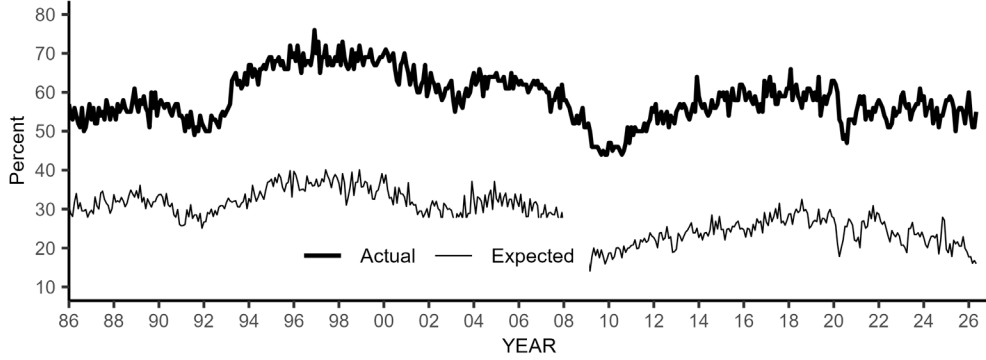
Net Percent ("Too Low" Minus "Too Large") at Present Time  
Net Percent Planning to Add Inventories in the Next Three to Six Months  
January 1986 to May 2026  
(Seasonally Adjusted)



# SMALL BUSINESS CAPITAL OUTLAYS

## CAPITAL EXPENDITURES

Actual Last Six Months and Planned Next Three Months  
*January 1986 to May 2026*  
*(Seasonally Adjusted)*



## ACTUAL CAPITAL EXPENDITURES

Percent Making a Capital Expenditure During the Last Six Months

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	55	57	59	57	59	53	55	55	53	56	55	57
<b>2022</b>	58	57	56	54	53	51	51	52	56	54	55	55
<b>2023</b>	59	60	57	56	57	53	55	56	57	57	61	58
<b>2024</b>	59	54	56	56	58	52	54	56	51	54	54	56
<b>2025</b>	58	58	59	58	56	50	55	56	56	55	52	56
<b>2026</b>	60	54	51	51	55							

## TYPE OF CAPITAL EXPENDITURES MADE

Percent Purchasing or Leasing During Last Six Months  
*May 2026*

Type	Current Month	One Year Ago	Two Years Ago
<b>Vehicles</b>	25	26	25
<b>Equipment</b>	37	40	40
<b>Furniture or Fixtures</b>	11	10	11
<b>Add. Bldgs. or Land</b>	4	5	6
<b>Improved Bldgs. or Land</b>	13	15	16

## SMALL BUSINESS CAPITAL OUTLAYS (CONTINUED)

### AMOUNT OF CAPITAL EXPENDITURES MADE

Percent Distribution of Per Firm Expenditures During the Last Six Months  
*May 2026*

Amount	Current Month	One Year Ago	Two Years Ago
\$1 to \$999	0	2	1
\$1,000 to \$4,999	7	6	6
\$5,000 to \$9,999	4	5	6
\$10,000 to \$49,999	16	16	13
\$50,000 to \$99,999	12	11	12
\$100,000 +	14	15	14
No Answer	2	1	2

### CAPITAL EXPENDITURE PLANS

Percent Planning a Capital Expenditure During Next Three to Six Months  
*(Seasonally Adjusted)*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	22	23	20	27	27	25	26	30	28	31	27	29
2022	29	27	26	27	25	23	22	25	24	23	24	23
2023	21	21	20	19	25	25	27	24	24	24	23	24
2024	23	21	20	22	23	23	23	24	19	22	28	27
2025	20	19	21	18	22	21	22	21	21	23	20	19
2026	18	18	16	17	16							

## SMALL BUSINESS HEALTH

### OVERALL HEALTH OF BUSINESS

*May 2026*

Rating	Current Month	One Month Ago	Two Months Ago
Excellent	11	12	13
Good	55	55	51
Fair	28	29	30
Poor	5	4	4

# SINGLE MOST IMPORTANT PROBLEM

## SINGLE MOST IMPORTANT PROBLEM

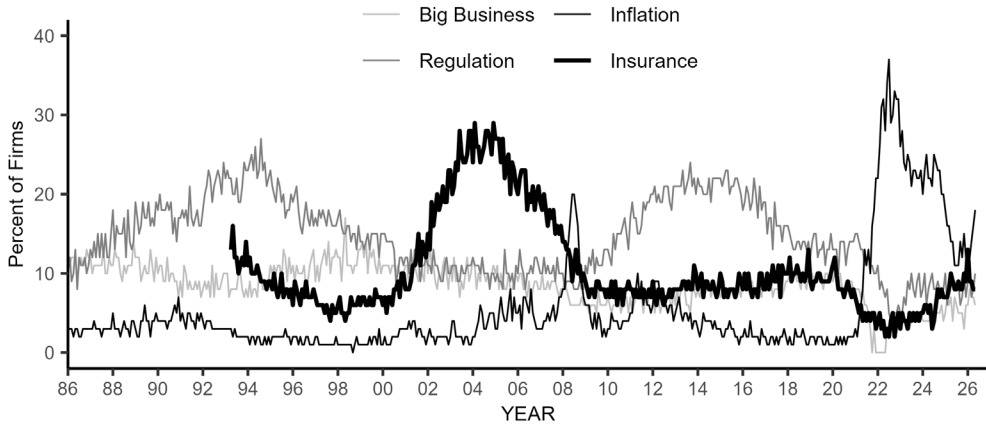
May 2026

Problem	Current	One Year Ago	Survey High	Survey Low
<b>Taxes</b>	19	18	32	8
<b>Inflation</b>	18	14	41	0
<b>Poor Sales</b>	7	9	34	2
<b>Fin. &amp; Interest Rates</b>	2	5	37	0
<b>Cost of Labor</b>	14	9	14	2
<b>Government Regulation</b>	10	9	27	4
<b>Comp. from Large Bus.</b>	6	4	17	0
<b>Quality of Labor</b>	13	16	29	2
<b>Cost/Avail. of Insurance</b>	8	9	29	2
<b>Other</b>	1	3	31	0

## SELECTED SINGLE MOST IMPORTANT PROBLEM

Inflation, Big Business, Insurance, and Regulation

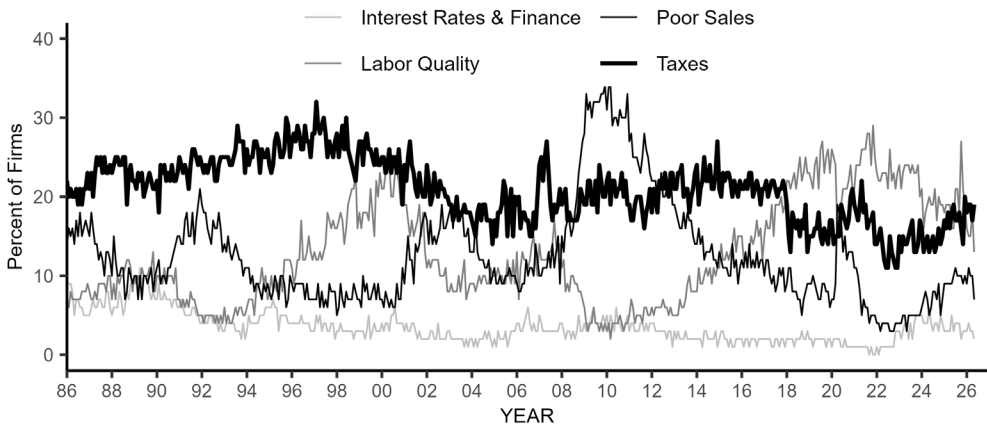
January 1986 to May 2026



## SELECTED SINGLE MOST IMPORTANT PROBLEM

Taxes, Interest Rates & Finance, Poor Sales, and Labor Quality

January 1986 to May 2026



# SURVEY PROFILE

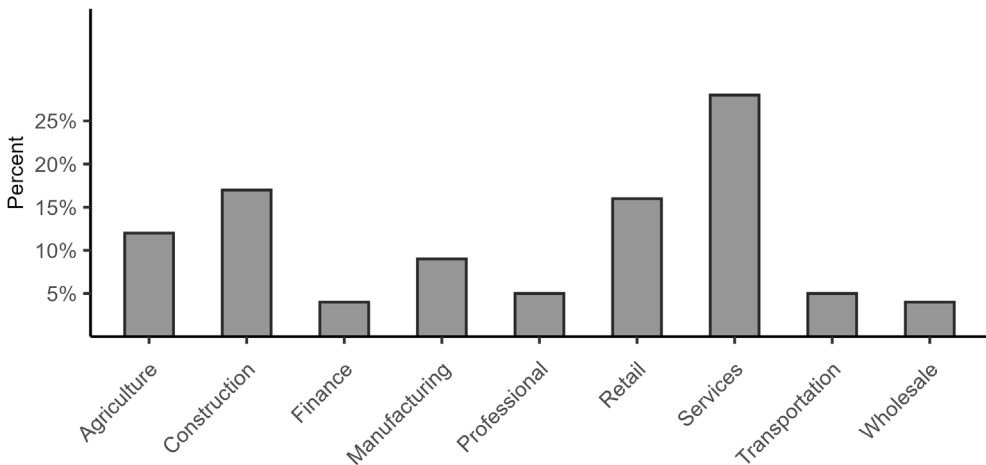
## OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY NFIB

Actual Number of Firms

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	1109	678	514	1516	659	592	1440	595	537	1431	613	639
<b>2022</b>	1504	665	560	1457	581	505	1351	622	557	1342	572	514
<b>2023</b>	1466	626	573	1365	632	496	1313	611	582	1382	573	518
<b>2024</b>	1287	604	506	1215	578	514	1309	590	559	1197	532	513
<b>2025</b>	1205	509	508	1078	485	382	953	472	403	984	505	429
<b>2026</b>	959	428	432	953	504							

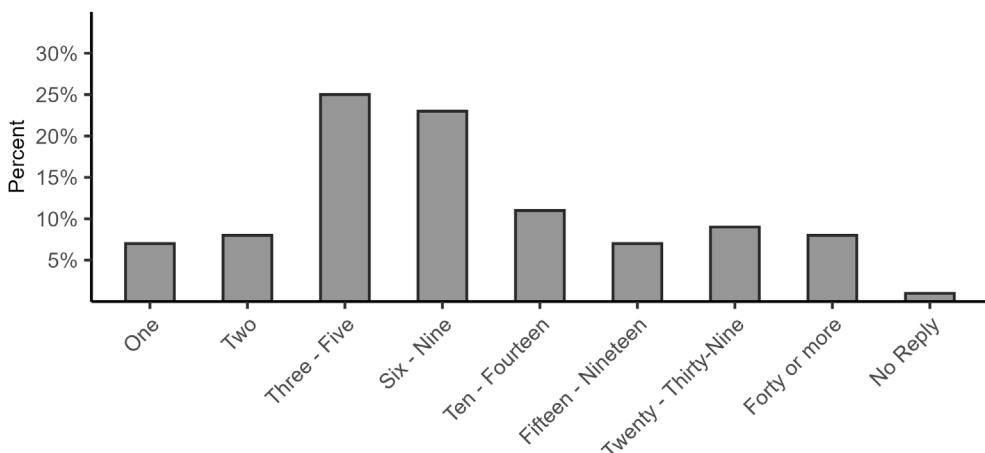
## NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY

Industry of Small Business  
*May 2026*



## NFIB OWNER/MEMBERS PARTICIPATING IN ECONOMIC SURVEY

Number of Full and Part-Time Employees  
*May 2026*



# NFIB RESEARCH CENTER SMALL BUSINESS ECONOMIC TRENDS SURVEY

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<b>SMALL BUSINESS SURVEY QUESTIONS</b>	<b>PAGE IN REPORT</b>
Do you think the next three months will be a good time for small businesses to expand substantially? Why? <sup>1,2</sup>	10
What about the economy in general, do you think that six months from now general business conditions will be better than they are now, about the same, or worse? <sup>1,2</sup>	10
Were your net earnings or “income after taxes” from your business during the last calendar quarter higher, lower, or about the same as they were for the quarter before? <sup>1</sup>	11
If higher or lower, what is the most important reason?	11
During the last calendar quarter, was your dollar sales volume higher, lower, or about the same as it was for the quarter before?	12
Overall, what do you expect to happen to the volume of goods and/or services (number of customers, units, hours billed, etc.) that you will sell during the next three months? <sup>1,2</sup>	12
How are your average selling prices now compared to three months ago?	13
In the next three months, do you plan to change the price of your goods and/or services?	13
During the last three months, did the total number of employees in your firm increase, decrease, or stay about the same?	14
If you have filled or attempted to fill any job opening in the past three months, how many qualified applicants were there for the position(s)?	14
Do you have any job openings that you are not able to fill right now? <sup>1</sup>	15
In the next three months, do you expect to increase or decrease the total number of people working for you? <sup>1,2</sup>	15
Over the past three months, did you change average employee compensation (wages and benefits but not Social Security, U.C. taxes, etc.)?	16
Do you plan to change average employee compensation (wages and benefits but not Social Security, U.C. taxes, etc.) during the next three months?	16

# NFIB RESEARCH CENTER SMALL BUSINESS ECONOMIC TRENDS SURVEY

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<b>SMALL BUSINESS SURVEY QUESTIONS</b>	<b>PAGE IN REPORT</b>
Are...loans easier or harder to get than they were three months ago?	17
Do you expect to find it easier or harder to obtain your required financing during the next three months? <sup>1,2</sup>	18
If you borrow money regularly (at least once every three months) as a part of your business activity, how does the rate of interest payable on your most recent loan compare with that paid three months ago?	18
If you borrowed within the last three months for business purposes, and the loan maturity (pay back period) was 1 year or less, what interest rate did you pay?	19
During the last three months, did you increase or decrease your inventories?	19
At the present time, do you feel your inventories are too large, about right, or too low? <sup>1</sup>	20
Looking ahead to the next three months to six months, do you expect, on balance, to increase your inventories, keep them about the same, or decrease them? <sup>1</sup>	20
During the last six months, has your firm made any of the following capital expenditures? (Check all that apply)	21
If yes [your firm made any capital expenditures], what was the total cost of these expenditures?	22
Looking ahead, do you expect to make any capital expenditures in the next three to six months? <sup>1,2</sup>	22
How would you rate the overall health of your business today?	22
What is the single most important problem facing your business today?	23
Please classify your major business activity, using one of the categories of examples below.	24
How many employees do you have full and part-time, including yourself?	24